

TAX CREDIT ANALYSIS

| Program Name: Community Development Bank Tax Credit (CDC) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|---------------------------|---|---|----------------------------------|----------------------------------|----------|---------|---------|---------|---------|---------|-------------------|-----|-----|-----|-----|-----|---------------|-----|---------|----------|----------|----------|-----------------|-------|---------|----------|----------|----------|
| Department: Economic Development | | Contact Name & No.: Ann Perry 522-8006 | | | Date: October 2011 | | | | | | | | | | | | | | | | | | | | | | | | |
| Program Category: Redevelopment | | | Type: Tax Credit <input checked="" type="checkbox"/> Other (specify) _____ | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Statutory Authority: 135.400 to 135.430 RSMo. | | | Applicable Taxes: Income Tax, excluding withholding tax; Corporate franchise tax; Bank tax; Insurance premium tax; Other financial institution tax; Express companies tax; Insurance co. retaliatory tax | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Program Description and Eligibility Requirements: Cumulative Cap Exhausted. No new applications being accepted. Credit of 50% for a contribution/investment into a pre-approved community bank or CDC. Funds targeted to induce investment into distressed areas. The types of investments identified in the application could fall into one of the three following categories: micro loans to new or growing small businesses, real estate development/redevelopment or housing in-fill/rehabilitation projects. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Explanation of How Award is Computed: Entitlement _____ Discretionary <input checked="" type="checkbox"/> Based upon 50% of a contribution/investment into a pre-approved community bank or CDC. The level of funding is determined during the application phase. Approval is subject to the amount of credits available, the application meeting the program requirements, and the projected outcomes attainable. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Program Cap: Cumulative \$ <u>6 Million</u> (remainder of cumulative cap) \$ <u>0</u> Annual \$ _____ None _____ Explanation of cap: When the program was initiated it received a one time allocation of \$6 million. In 2000 SB 894 was passed that would have allowed for an annual allocation of tax credits. However, SB 894 was found to be unconstitutional by the Missouri Supreme Court. Currently all of the initial allocation has been authorized to approved community banks/CDC's. While those approved community banks/CDC's continue to produce results no new applications are being accepted. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Explanation of Expiration of Authority: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Specific Provisions: (if applicable) Carry forward <u>10 years</u> Carry Back _____ years Refundable _____ Sellable/Assignable <input checked="" type="checkbox"/> Additional Federal Deductions Available _____ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Comments on Specific Provisions: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | FY 2009 ACTUAL | FY 2010 ACTUAL | FY 2011 ACTUAL | FY 2012 (budget year) | FY 2013 year) (budget | | | | | | | | | | | | | | | | | | | | | | | | |
| Certificates Issued (#) | 0 | 1 | 0 | 1 | 1 | | | | | | | | | | | | | | | | | | | | | | | | |
| Projects (#) | 0 | 1 | 0 | 1 | 1 | | | | | | | | | | | | | | | | | | | | | | | | |
| Amount Authorized | \$0 | \$0 | \$0 | \$0 | \$0 | | | | | | | | | | | | | | | | | | | | | | | | |
| Amount Issued | \$0 | \$6,410 | \$0 | \$50,000 | \$50,000 | | | | | | | | | | | | | | | | | | | | | | | | |
| Amount Redeemed | \$990 | \$5,915 | \$22,703 | \$25,000 | \$25,000 | | | | | | | | | | | | | | | | | | | | | | | | |
| EST. Amount Outstanding | N/A | N/A | \$448,652 | N/A | N/A | | | | | | | | | | | | | | | | | | | | | | | | |
| EST. Amount Authorized but Unissued | N/A | N/A | \$117,500 | N/A | N/A | | | | | | | | | | | | | | | | | | | | | | | | |
| HISTORICAL AND PROJECTED INFORMATION | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <table border="1" style="margin-top: 10px; width: 100%; border-collapse: collapse;"> <caption>Historical and Projected Information Data</caption> <thead> <tr> <th>Category</th> <th>FY 2009</th> <th>FY 2010</th> <th>FY 2011</th> <th>FY 2012</th> <th>FY 2013</th> </tr> </thead> <tbody> <tr> <td>Amount Authorized</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> </tr> <tr> <td>Amount Issued</td> <td>\$0</td> <td>\$6,410</td> <td>\$50,000</td> <td>\$50,000</td> <td>\$50,000</td> </tr> <tr> <td>Amount Redeemed</td> <td>\$990</td> <td>\$5,915</td> <td>\$22,703</td> <td>\$25,000</td> <td>\$25,000</td> </tr> </tbody> </table> | | | | | | Category | FY 2009 | FY 2010 | FY 2011 | FY 2012 | FY 2013 | Amount Authorized | \$0 | \$0 | \$0 | \$0 | \$0 | Amount Issued | \$0 | \$6,410 | \$50,000 | \$50,000 | \$50,000 | Amount Redeemed | \$990 | \$5,915 | \$22,703 | \$25,000 | \$25,000 |
| Category | FY 2009 | FY 2010 | FY 2011 | FY 2012 | FY 2013 | | | | | | | | | | | | | | | | | | | | | | | | |
| Amount Authorized | \$0 | \$0 | \$0 | \$0 | \$0 | | | | | | | | | | | | | | | | | | | | | | | | |
| Amount Issued | \$0 | \$6,410 | \$50,000 | \$50,000 | \$50,000 | | | | | | | | | | | | | | | | | | | | | | | | |
| Amount Redeemed | \$990 | \$5,915 | \$22,703 | \$25,000 | \$25,000 | | | | | | | | | | | | | | | | | | | | | | | | |

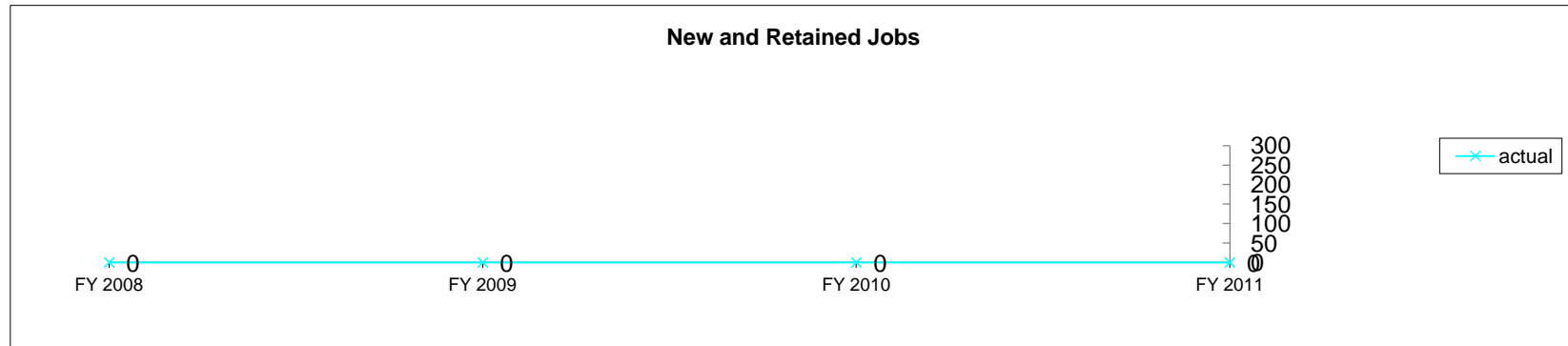
TAX CREDIT ANALYSIS

Program Name: Community Development Bank Tax Credit (CDC)

BENEFIT: COST ANALYSIS (includes only state revenue impacts)

| | FY 2011 ACTUAL | Other Fiscal Period | Derivation of Benefits: No Authorizations in FY 2011 |
|--------------------------|-------------------|---------------------|---|
| BENEFITS | | | |
| Direct Fiscal Benefits | | | |
| Indirect Fiscal Benefits | | | |
| Total | \$0 | \$0 | |
| COSTS | | | |
| Direct Fiscal Costs | | | |
| Indirect Fiscal Costs | | | |
| Total | \$0 | \$0 | |
| BENEFIT: COST | #DIV/0! | #DIV/0! | |

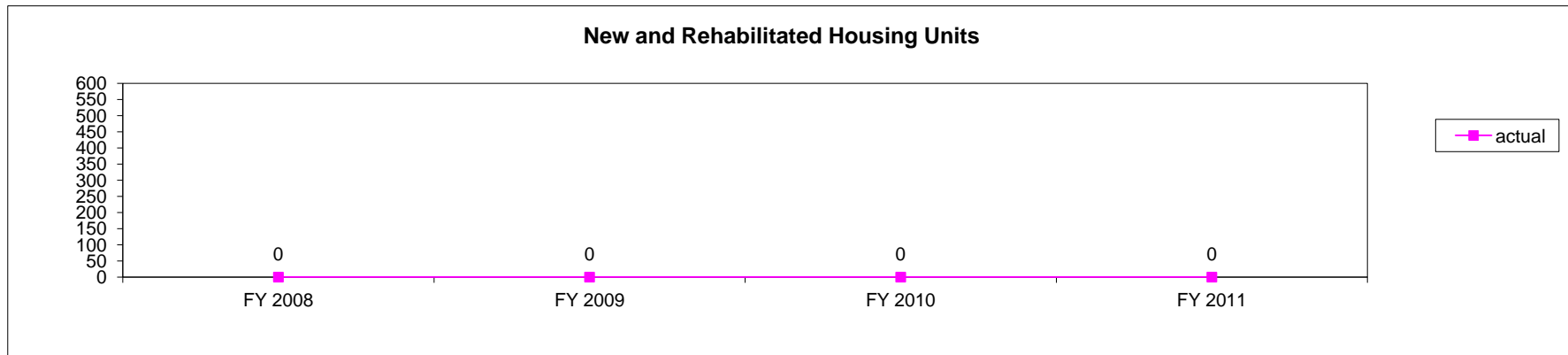
PERFORMANCE MEASURE(S)



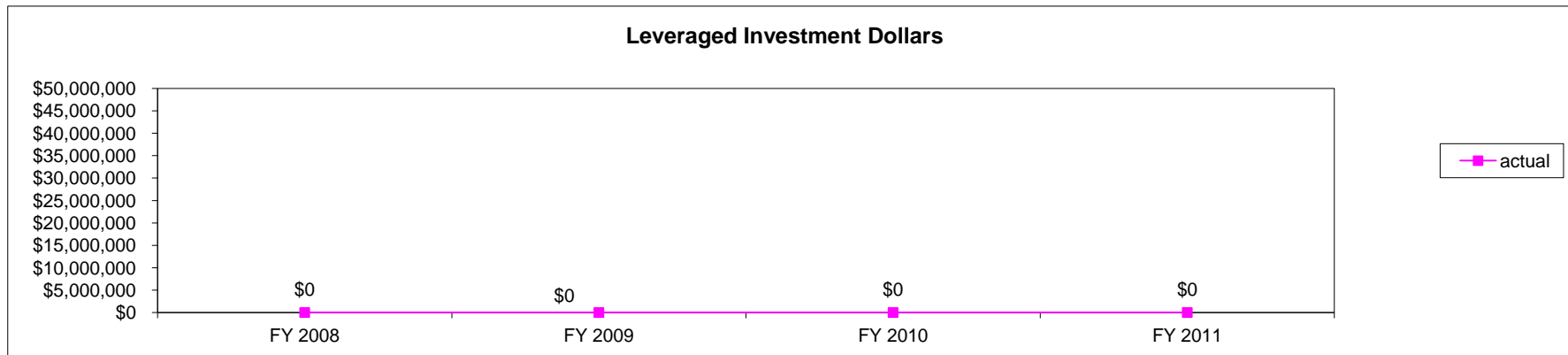
Comments on Performance Measure: FY 2003 85 New Jobs and 114 Retained Jobs = 199 Total Jobs; FY 2004 148 New Jobs and 59 Retained Jobs = 207 Total Jobs; FY 2005 79 New Jobs and 0 Retained Jobs = 79 Total Jobs.

TAX CREDIT ANALYSIS

Program Name: Community Development Bank Tax Credit (CDC)



Comments on Performance Measure: FY 2003 15 New Housing Units and 567 Rehabilitated Housing Units = 582 Total Units; FY 2004 83 New Housing Units and 123 Rehabilitated Housing Units = 206 Total Units; FY 2005 12 New Housing Units and 25 Rehabilitated Housing Units = 37 Total Units.



Comments on Performance Measure: Leveraged dollars reflect the amount of investment that occurred in targeted distressed areas as a result of program approved projects.